

Sullivan County Delegation

Type of meeting: Sullivan County Full Delegation

Date/Time: January 28, 2005 / 10:00 A.M.

Place: Newport Remington Woodhull County Complex
Conference Room

Members Present: Representatives Jay Phinizy, John Cloutier, Peter Franklin, Beverly Rodeschin, Larry Converse, Tom Donovan, Charlotte Houde-Quimby, Christopher Irish, Arthur Jillette Jr., and Stephen Pritchard

Members Absent: Brenda Ferland

Commissioners Present: Don Clark, Ben Nelson, and Ethel Jarvis

Other Elected Officials and County Employees Present: Ed Gil de Rubio, Dodi Violette, Marc Hathaway, and John Allard

Called to Order at 10:00 by the *Chair*, Rep. Cloutier

Rep. Phinizy moved and Rep. Donovan seconded, to adopt the minutes of the September 27, 2004 and December 8, 2004 meetings. Motion approved unanimously by voice vote.

Executive Finance Committee Report—Report given by Rep. Donovan, as Rep. Ferland had to leave after the Executive Finance Committee Meeting. Rep. Donovan discussed the new financial summary report and it's potential for providing us with more complete information. He gave a general review of the various line items to help Delegation members make sense of the new format and information provided there. He noted that the nursing line item for contract nurses would be reduced, as the county will be hiring regular staff in place of Agency Nurses.

Rep. Franklin asked four questions:

1. Where is the \$220K reserve amount in this budget report? Mr. Gil de Rubio indicated that the item is in the treasurer's balance, has been placed in a CD. It is not part of this summary report.
2. If this is the entire budget report why is the \$220K not a part of this report? Mr. Gil de Rubio replied that the \$220K is not part of this budget – it is in the Lake Sunapee Bank.
3. Can the County Commissioners spend the \$220K this year? Mr. Gil de Rubio replied that no, the Commissioners could not spend these funds. However, the Delegation can order the money to be spent a certain way.
4. Is this different than what you told us a few months ago – that the Delegation cannot spend these funds this year? Mr. Gil de Rubio claimed that he did not say that, but rather that the Delegation might be guilty of a misdemeanor if they spent

the money this year. At the last Delegation meeting the DRA was phoned and they said the Delegation could take the funds out of the CD and spend them.

Mr. Converse asked why the per diem nurse budget was allowed to be overspent by \$500K when other nursing service budgets had positive balances? Mr. Gil de Rubio said that this was a mistake, and should not have happened that way. Mr. Allard the new administrator is shutting that door.

Ms. Rodeschin – Asked if the CD had to be cashed in with a penalty. Was told that the CD will be due in January 2005. Yes there probably would be a penalty for early withdrawal. There was further discussion regarding the current status of the CD. Mr. Gil de Rubio indicated that he planned to include the \$220K in next year's budget proposal for whatever purpose the Delegation wished to dispose of it.

There was a motion by Rep. Phinizy, seconded by Rep. Rodeschin that the CD be reinvested for a period not longer than 6 months. Motion passed by voice vote.

Rep. Franklin asked about Auditor's Report. He questioned how the projected figure for the projected surplus was derived. Mr. Gil de Rubio indicated that the auditors report was for previous fiscal year. The figures in current report are estimates. The final figures will come out in the next audit. Will be carried in fund balance (According to Doty)

Rep. Rodeschin – explained how state had to estimate moneys for state aid and often their projections were over and under.

Rep. Phinizy – explained how it's important to watch the budget to avoid carrying too much in certain budget categories. – Need to pare down line items.

Mr. Clark and Mr. Nelson indicated that the surplus is large due to the fact that the State is making late payments for money owed in the past. If there is a surplus of receipts, it does not change the amounts authorized for expenditures. A surplus of receipts is not a bad thing.

Rep. Donovan moved and Rep. Houde -Quimby seconded to accept the finance report. Report accepted by voice vote.

Rep. Cloutier apologized for not having the Pledge of Allegiance at the beginning of the session. Commissioner Jarvis led a belated Pledge of Allegiance.

Rep. Cloutier introduced the County Attorney, Mark Hathaway to speak to the Delegation. Attorney Hathaway graciously offered to defer his time to allow Ms. King and Ms. Stamaticus to speak first.

Rep. Cloutier then introduced Sharon King, Registrar of Deeds and Carol Stamaticus, former member of the County Delegation who have an issue they wish to discuss with the Delegation. Rep. Cloutier apologized to Ms. King for making her come in to speak with

the Delegation on her leave day. Ms. King wishes to discuss the implications of Ms. Stamaticus' letter regarding Social Security numbers appearing on deeds. She gave a brief overview of the functions of the Registry of Deeds. Her office operates a deed recording system that provides deed copies at her office or over the Internet to those maintaining an account. People can examine deeds but not copy them over the Internet unless they have an account. Her work is to record land records. She deferred further discussion to let Ms. Stamaticus present the issue being discussed.

Ms. Stamaticus explained her interest in the area of privacy. She had previously sent a letter with back-up information to all members of the County Delegation. Her interest is the protection of privacy and the issue of identity theft. She recently became aware that Sullivan County Registry of deeds is publishing on the Internet— documents that contain peoples Social Security Numbers. She raised the question about the legal right of the county to reveal such information. She made a point that SS Numbers are private information as seen by case law. She noted that posting on the Internet is her issue here. She feels that private information like Social Security numbers should be removed. She feels that the website should be shut down until this is done. As an alternative, she suggests that a charge be made to access such data as a way to reduce fishing expeditions. Mr. Phinizy – suggested that a user fee would compromise the need for free access to documents. Mr. Irish – thinks that the risk for identity theft is largely illusionary. Feels that a system to opt out at the request of an individual.

Sharon King – the banks and the IRS can attach SS numbers to documents. The SS# is a vital piece of data – but is not kept on any index held by the Registry. Attempting to redact the information would be an enormous task that would affect the integrity of data. Mr. Irish – identity theft is easy to do now. The Registry data would be a very small portion.

Rep. Phinizy – Could all people looking at the data be identified? Answer – Some but not all at the present time.

There was a discussion of a bill by Rep. Kirk to provide more privacy protections. Sharon King – Registry of Deeds association are against Kirks bill.

Atty. Hathaway – Identity Theft is a very broad term. It is usually an act committed by a friend or relative. The Kirk bill will require a level of labor by the Registry that can slow up or stop documents being registered. One portion of the legislation would put an obligation on the filer to remove personal information. Hathaway opposes any redaction of the records. He would prefer a forward solution that will clean up records as they are created in the future. Sharon King – I am now suggesting to people that they remove private information from any documents they attempt to register.

There was a great deal of discussion of the ways data in the Registry could or could not be protected. Commissioner Nelson – I don't think we can tell the Registrar what to do. Rep. Irish – There are problems with almost every effort to protect privacy.

Rep. Phinizy – Ms King, how do you feel about the LCHIP surcharge proposal? Answer –I am not in favor. The charges would be a burden on the public.

Rep. Cloutier – Would the county be liable for the theft of identity?

Mr. Hathaway. – There is no current liability. The legislation would be problematic in that it would create liability for a public entity.

Mr. Converse – could the Delegation shut down the website?

Mr. Hathaway- Do not believe you can today. But in the future could affect the budget.

Mr. Gil de Rubio was directed to report back to the Delegation regarding the County's insurance liability protection coverage for data published on the website.

10 minute break – Rep. Irish had to leave due to pressing business.

County Manager Report

Mr. Gil de Rubio introduced John Allard – interim administrator provided by Genesis Healthcare. Genesis will submit a game plan for the next 11 months. Rep. Donovan – if there is to be a report coming out – are you at liberty to tell us of some of your recommendations?

Mr. Allard – the recommendations will be an amalgamation of suggestions. Best to wait for the final report.

Rep. Phinizy-Why do we have to have another report now, when we have had two recent reports by the state and Genesis. We did a plan for action and the state has approved our corrective actions. The Genesis report was two years ago. Today they have me on staff full time to validate the findings and recommendations. Why this additional study now?
Mr. Gil de Rubio. – Our concern was where we were going to go over the next 5 years.

Rep. Donovan – How do you look at your staffing plans?

Mr. Allard - To develop a skilled unit to work with Medicare clients.

Mr. Donovan – How will you listen to residents?

Mr. Allard – We are trying to get a system in place to improve communication between residents and staff.

Mr. Donovan – Suggest that you involve families more in the communication process.

Mr. Franklin – I am curious about the direction of the nursing home.

Mr. Allard – We must make the institution fiscally viable.

Mr. Franklin – Is this moving towards privatization?

Mr. Allard – I am unaware of any discussion in this area.

Ms. Rodeschin. – Do we pay for liability insurance? Mr. Gil de Rubio. – Yes
Do we pay Genesis twice for management? Mr. Gil de Rubio – We are paying for other
administrative skills beyond those possessed by the interim administrator.

Mr. Gil de Rubio - Medicaid is going to change. We expect to get us in the black.

Mr. Phinizy – Are the management fees being rolled over to pay for Genesis? I see \$16K
per month paying Genesis. We are now paying \$200K over for a management fee.
Where is it coming from? Mr. Gil de Rubio –We will be figuring out where the money
will be coming from the current budget and will let you know.

Mr. Franklin – I find the ways you are putting off giving answers to produce a lack of
trust in the members of the Delegation.

Mr. Allard – We are plowing new ground here. I don't think we will have answers as fast
as you wish.

Mr. Franklin – Question about the dollar amounts of the managerial fees being charged
under the contract.

Mr. Allard – managing a nursing home is a very complex operation – I am a generalist
who uses the skills of other people to get the job done. We place persons where they can
bring in the greatest returns to the organization.

Mr. Donovan – I think our responsibility is to take care of the most vulnerable people. I
am worried that there is a push to shop around for those who can bring in the most \$\$ to
the institution.

Mrs. Rodeschin – What are the incentive fees?

Mr. Gil de Rubio – We will be giving a fee for profit sharing.

Mr. Clark – If we increase the population we would pay for the management fee.

Mr. Phinizy –Is there an auto-renew clause in the contract? We need to notify you in
September or 90 days?

Mr. Hathaway – We can void the contract with a 90-day notice period.

Mr. Phinizy – The commissioners can move funds around as they wish?
The Delegation has the authority to restrict the transfer of money between funds.
We are not sure of the total authority of the commissioners to transfer money.
There is law proposed to expand the authority of the commissioners to expend funds
across budget lines more easily than thought previously.

Mr. Hathaway – My recommendation is that any multi-year contract to be approved by the Delegation. There are yet unanswered questions. I feel it is vital this is done.

Mr. Franklin – I have learned that one criterion for judging the success of Genesis is their ability to earn their contract fee. I would like to recommend that the county administrator give frequent reports on where and how the savings will be made.

Mr. Clark – Three objectives. Maintain quality of care. Achieve savings, Increase # of clients.

Mr. De Rubio – We put this contract together at the last minute. We had to move quickly. We had to get it done.

Rep. Prichard – Are we micromanage or overseeing?

Rep. Rodeschin – I think we should move along with the agenda.

Mr. Hathaway – The Linehan case – The Commissioners have far more authority than we previously realized. The convention – can appropriate money and responsible for oversight of the budget. Can require reports on a more frequent basis. Can require authority to transfer funds from line item to line item.

Mr. Phinizy – The contract the Commissioners drew up was a multi-year contract in my opinion.

Mr. Hathaway – the 90-day pull out protects us.

Mr. Franklin – Do the County Commissioners have the right to create a new line item in the budget?

Mr. Hathaway – gave examples of ways the county could change line items.

Commissioner Clark – offered comments about the budget process.

Rep. Rodeschin – wants to continue with agenda

Rep. Phinizy asked a Question about \$6.00 per month increase for nursing homes residents' bill proposal. Commissioners present were neutral or in favor of the proposal.
Motion to adjourn - Phinizy moved, Prichard seconded and Delegation adjourned at 1:31 PM

Respectfully submitted


Arthur Jillette, Clerk